

Retirement Program includes fifty-two hundredths percent (0.52%) for the Disability Income Plan. The rates for Teachers and State Employees and State Law Enforcement Officers include sixteen-hundredths percent (0.16%) for the Death Benefits Plan. The rate for State Law Enforcement Officers includes five percent (5%) for Supplemental Retirement Income.

SECTION 28.19.(d) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2007-2008 fiscal year to the Teachers' and State Employees' Comprehensive Major Medical Plan's Indemnity Plan are: (i) Medicare-eligible employees and retirees – three thousand one hundred eighty-five dollars (\$3,185) and (ii) non-Medicare-eligible employees and retirees – four thousand one hundred eighty-three dollars (\$4,183).

SECTION 28.19.(e) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2007-2008 fiscal year to the Teachers' and State Employees' Comprehensive Major Medical Plan's Preferred Provider Options Program are: (i) Medicare-eligible employees and retirees – three thousand eighty-five dollars (\$3,085) and (ii) non-Medicare-eligible employees and retirees – four thousand fifty-two dollars (\$4,052).

SECTION 28.19.(f) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2008-2009 fiscal year to the State Health Plan for Teachers and State Employees (Plan), including optional plans and programs under the Plan are: (i) Medicare-eligible employees and retirees – three thousand one hundred sixty-five dollars (\$3,165) and (ii) non-Medicare-eligible employees and retirees – four thousand one hundred fifty-seven dollars (\$4,157).

PROVIDE COST-OF-LIVING INCREASES FOR RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM

SECTION 28.20.(a) G.S. 135-5 is amended by adding a new subsection to read:

"(qqq) From and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2006, shall be increased by two and two-tenths percent (2.2%) of the allowance payable on June 1, 2007, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2006, but before June 30, 2007, shall be increased by a prorated amount of two and two-tenths percent (2.2%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 2006, and June 30, 2007."

SECTION 28.20.(b) G.S. 135-65 is amended by adding a new subsection to read:

"(bb) From and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2006, shall be increased by two and two-tenths percent (2.2%) of the allowance payable on June 1, 2007. Furthermore, from and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2006, but before June 30, 2007, shall be increased by a prorated amount of two and two-tenths percent (2.2%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 2006, and June 30, 2007."